

MA Food Policy Council minutes

**Friday, May 19<sup>th</sup>, 9:30 AM – 12:30 PM**

Massachusetts Division of Fisheries & Wildlife, 1 Rabbit Hill Road, Westborough

In attendance:

Jeff Cole, Federation of Massachusetts Farmers

Representative Hannah Kane

Amanda Kinchla, UMASS Extension Science Department

Representative Steve Kulik

Commissioner John Lebeaux, MA Dept. of Ag Resources Commissioner

John Lee, Farmer

Vivian Morris, Nutrition & public health expert

Commissioner McCue, Dept. of Transitional Assistance

J Mark Reil, District Constituent Services Director, Office of Senator Ryan C. Fattman

Eric Stocker, Distribution

Danah Tench, designee: Dept. of Environmental Protection

John Waite, Western MA Food Processing Center

District Director Tyler Wolanin, Senator Gobi's Office

**Call to Order:** The meeting was called to order at 9:42 AM by Commissioner John Lebeaux. Mark Tisa, Deputy Director, Mass Wildlife, welcomed everyone to the building, opened in 2014, a zero net energy green building and encouraged everyone to come to their open house on Saturday, June 10, 10 to 3 PM. FPC members and attendees introduced themselves.

**Officers Reports**

**Approval of minutes:** John Lee proposed edits. They were accepted by consensus. A motion was made by Vivien Morris to accept the edited minutes, seconded by John Waite and unanimously passed.

**Officers Reports**

**Program:** Deep dive into the **local food infrastructure!** What actions can FPC members support?  
*"Support and grow local food system infrastructure. The current focus is to target opportunities for growers, food processors and distributors to access capital, incentives, and technical assistance through agency partners and programs, private organizations, and universities."*

Infrastructure: Access to capital and business management, Dorothy Suput, Executive Director, The Carrot Project; John Waite, Executive Director, Franklin County Community Development Corporation.

The Carrot Project wants to change the equation for farm and food business success. For the past ten years, the Carrot Project has focused on increasing farms in the region in partnership with the Franklin CDC. For the past year, a Working Group from the MA Local Food Action Plan has focused on actionable items supporting business development. Collaboration is one of the themes for a more productive food system with a foundation of technical assistance. The CISA study showed that spending \$20 more each month will generate 3,800 jobs and over \$200 M in revenue - to support MA Local Food Action Plan goals. The value of business assistance has been tested and shows direct benefits from one-on-one technical assistance means higher revenue and more employees based on better business skills. Case

Study, Skinny Dip Farm, had strong results from business technical assistance through the Carrot Project to access capital for a cooler and greenhouse for season extension. They are now helping mentor other farms. USDA Measuring Profitability and Success program helped demonstrate their success based on a strong financial management system and financial decisions.

John Waite is part of this Working Group. Two examples of food businesses that were successful as a result of this program include Kitchen Garden Farm, who grew from 2 acres to 50 acres. The businesses that ask for technical assistance are able to grow faster and more steadily and keep an eye on the bottom line. They grow produce as well as make a value-added product, Sriracha. They starting selling at farmers markets and are now focused just on wholesale business. Real Pickles is a food business that purchases over 100,000 pounds of organic produce that is processed into pickles and a line of ten naturally fermented products. They started in the Western MA Food Processing Center and moved out to owning their own business. The Pioneer Valley Investment Fund, a community investment fund, for loans to farm and food businesses. Partners include lenders and technical assistance providers and have raised \$800,000 to loan out for support including technical assistance. Sutter Meats is a butcher in Northampton that has also used the funds to grow their business, including technical assistance. This program could be expanded throughout the state. Perhaps the MA Food Trust could be a partner. The MA Food Ventures Program has been critical for infrastructure development, all used better with prior technical assistance.

From the grower/food processor perspective, it's a checkerboard in terms of access to services. For example, there is funding from one source that can be used in only one country. How can the FPC help with one-on-one technical assistance? The FPC can:

- Support and increase to \$1.5 M for MGCC's Small Business Development Grant Program.
- Support the MA Food Trust as a source for one-on-one technical assistance.
- Collaborate across state agencies and jurisdictions to support MA farm and food businesses.
- Connect with the Blueprint for a Sustainable Business Assistance Network.

The MA Food Trust has \$1M in the budget and there is a request for an additional \$100,000 for administration, now housed at EOHED. Contact Senator Donahue to request provide support for the legislation. It can also be used for technical assistance.

Question: Is everyone who receives funds from the investment fund required to get technical assistance? A: No, however 8 out of 10 who ask for loans are encouraged to get technical assistance. Most of these businesses don't have funds to hire a consultant. Most loans are in the range of \$25-75,000 and TA is not a significant amount of money per business. Comment from FPC members: small farmers need TA to remain viable in these changing times.

Question: Are most of these projects west of Worcester? No, the programs are across the state and a handful of businesses are in Boston. There are expectations to branch out. Part of the answer depends on where the funding comes from. And more people are getting involved through urban farming in Lowell and Lawrence for example. There are also other programs that offer technical assistance for example from MDAR through the Farm Viability program, MEGA for beginning farmers and separate stand alone business training programs. These programs in general are faring well in the budget. MDAR programs require matching farms which were in some cases were provided by the Carrot Project, as well as bridge loans, which shows the importance of the collaboration.

Question: How is outreach accomplished? The Carrot Project outreach is through word of mouth and through partner organizations and their networks. The Carrot Project has partner organizations throughout the state. The Northeast part of the state could be stronger in terms of partnerships. On the other hand, business is turned away when the Carrot Project is at capacity.

Comment from Audience: There is a gap in TA and additional support/effort is needed to engage low-income, minority, and people of color with these services.

Question: Is your pool representing the best opportunity, or is it based on partner organizations? The people The Carrot Project works with are predisposed to business training. A company had a FSA \$50,000 microloan, and realized they needed better business planning.

Question: How do you democratize the resources? There is a gap between the level of technical assistance and where business owners are in some cases cannot navigate how to apply. Farmers of color may have difficulty accessing technical assistance. In the Working Group, more diversity could be helpful. Answer: Training in Boston showed that understanding basic financial management was important and a program was developed with more flexible funding. There were still participants that needed even greater support.

The Collaborative Workspace Program and other finance products, Sean Calnan, Senior Vice President, Pre Development and Finance, MassDevelopment. The program is known for financing through bonds, grants, loans and guarantees and tax credits for institutional customers but can work with many entities. For example, there are twice as many people working at Fort Devens than when it was in full service as a result of MassDevelopment. Jacqueline's Gourmet Cookies and Fancy Pants cookies is an example of a value added business that received a loan. DAHlicious was supported and sells domestically and internationally. Little Leaf Farms is also a recipient of the program. The Gloucester and South Coast revolving loan funds provide support to the fisheries industry. Breweries include Notch and Tree House. Brownfields Redevelopment projects are also eligible, including the Wellspring Collaborative. Predevelopment finance is a one-to-one match. Pine Hill Orchards was supported after a fire. The River Valley Market Cooperative received funding as well as the Livestock Institute in southeastern MA. The old Creamery Cooperative, Atkins Farms Country Market, the Greater Boston Food Bank and the Seafood Revolving Loan Fund were also recipients of MassDevelopment Programs. TDI focuses on 10 districts within the Gateway Cities, for targeted investments for a local collaborative partnership that engages the community for community involvement in a small walkable radius of space to leverage substantial catalyst effect over three years. The long-term goal is for self sustaining efforts. In Springfield for example, the goal is to create a vibrant downtown neighborhood including farmers markets, a food truck ordinance using locally grown produce, outdoor carts and a possible food hub.

A new initiative is "A Collaborative Workspace Program," based on two separate capital authorizations, to grow innovation assets and regional job growth. A new funding round was just announced including partnership with the Barr Foundation. Fit-out Grants are up to \$250,000 with a 1:1 match for labor and materials for building improvements and the purchase of equipment. Seed grants are also available up to \$25,000 for predevelopment costs, feasibility analyses and design work. Community kitchens are often part of these spaces. Stockpot Malden and Commonwealth Kitchen are examples of a maker space. The Western MA Food Processing Center, in conjunction with Greylocks Works submitted an application. Other food related projects include UTEC, Commercial Kitchen Coop of Cape Cod, Shire City Sanctuary with a vegan kitchen and Gateway City Arts in Holyoke. Several state funds are administered, and continued support is appreciated. For farmers a PACE program for energy efficiency projects is

being rolled out. The program can assist with anaerobic digester programs through a tax exempt bond programs.

Representative Kulik and Representative Kane expressed thanks for the very broad portfolio including investments in each of their districts.

Infrastructure: Product development and support for value-added food and ag businesses,  
Amanda Kinchla, Extension Specialist, Food Science Department, UMASS Amherst

Food safety regulation and training is broad and includes many certifications as requirements. To develop new food products, they need to be good, make business sense and be made safely. Previous food contaminations set the stage for more regulation. Different foods present different food safety risks, and have their own regulations. Any food that didn't have a regulation now has to have a food safety plan under FSMA. Manufacturing a value-added food product is complicated. UMASS is trying to address this by creating outreach to be sure food businesses are aware of what's required. Food Safety trainings that are required are offered in MA. Entrepreneurs need to be exposed to thinking about food safety earlier, right from the concept development through to the end. A newly developed short-course focuses on entrepreneurs considering product development and food safety and reducing risk as a component throughout, as well as getting the product to scale. Program evaluations show that food safety practices increase after taking this type of class. Plans include an on-line module, for an alternative forum. Current projects include a class on shelf-stable acidified foods, Chapter 21 CFR for acidified foods (ph below 4.6). To expand local food production, programs to support growers for 12 products following a certified process gives growers more flexibility and opportunity for economic viability. For example, blueberry jams which needs to comply with a "Standard of Identity". Another project focuses on reducing fat and salt from meat based recipes with mushrooms at UMASS Amherst in the dining services. With a formula of 55% beef and 45% mushrooms, consumers actually prefer it and it has less fat and salt, extends the protein and costs less per pound. This work supports using local meat which can be more expensive, but made more affordable by incorporating mushrooms. Amanda is the only food safety Extension at UMASS however efforts are amplified through the Northeast Center to Advance Food Safety with a focus on underserved audiences including small and medium food processors to better serve them to decrease food safety risks and improve business viability.

Farm infrastructure in relation to compliance with the Produce Safety Rule (FSMA),  
Michael Botelho, MDAR Program Director, Produce Safety, Market Access and Certification

The Produce Safety Rule under FSMA will have important implications for growers, set to roll out 1.1.2018. MDAR seeks statutory authority of it, in MA, under the Commonwealth Quality Program. This program currently supports 150 farms from small to large. The Rule is the first time the produce space will have inspections/audits. MA is working to have a one size fits all program. Whole Foods has identified risk commodities in MA including leafy greens, green onions and cantaloupe to require growers to have at least \$5 M in liability insurance. MDAR is the lead agency on this project and in partnership with FDA, designed this program including statutory authority under state law for on-farm inspections. There is a lot of outdated farm infrastructure, especially in the packing houses. MDAR has a continuum of support - education first, technical assistance, grant funds relating to technical assistance, and then regulation. MDAR supports all farmers, independent of size. FDA wants to focus on farms with sales over \$500M. There is a constriction of sales at farmers markets, with a stronger focus on wholesale. MA growers both grow and process, altering the produce from its raw state, such a peeling butternut squash. So MA farms may be subject to both rules. The program offers a good

opportunity for MA Growers to promote modernization that will make them more competitive overall and sustain existing acreage. The average age of the farmer continues to grow older, which could translate to losing acreage. Prioritization is important when providing technical assistance. Farmers know exactly what they need. There is a strong collaboration of regulators and educators working on these topics. The MDAR program, which received a \$3.5 M grant over 5 years, is adding five inspectors to the team. Comment: There are tremendous economic impacts, since the program is expensive to implement and maintain.

Question: When does rinsing become washing? Answer: The Rule doesn't indicate that you have to wash produce, but typically it's done to enhance the appearance and increase shelf stability.

EPA-funded energy, toxics, and waste reduction workshops for the MA food and beverage industry, Madeline Snow, Lowell Center for Sustainable Production, University of Massachusetts Lowell; Technical assistance resources and incentive programs for food processors, Dwayne Breger, Ph.D, Director, UMass Clean Energy Extension, UMass Amherst

Sustainability in the food sector is more than just farm to table and local sourcing. Waste, water and the use of toxic cleaning and sanitizing materials and energy are important for food and farm businesses of all sizes. EPA was interested in this topic since they are using lots of water and energy and are working hard for business sustainability. The cheapest safest energy is the energy you don't use. There are existing programs and infrastructure to provide support, incentives, rebates for a lot of the equipment required. There is a checkerboard of assistance available. Everyone should know about the energy rebates and do it early - even if a client is thinking about a new piece of equipment, it could be subsidized and a match up for grant resources which often doesn't happen. Utility incentives are out there. There have been four workshops with food processing participation with excellent peer to peer learning. The future of sustainability is assisting in the branding of products and farms. Sustainability isn't something weird out there; it is being more and more integrated into the business culture. Ocean Spray talked about sustainability with an emphasis that they're all growers.

Dwyane Breger is working on the same pollution prevention grant from EPA with a focus on energy efficiently. The UMASS Clean Energy Extension (CEE) is two years old and housed in the Center for Food Agriculture and the Environment, with a focus on applied research in the energy space. They have partnered with UMASS Lowell to support EPA-funded programs, which serves the entire food chain. Energy assessments are offered with actionable items, as identified by engineers. Outcomes include reduction of operating, maintenance costs and emissions. The Industrial Assessment Center, Mass Save and Clean Energy Extension are the main programs. Decision support can be offered. They would like to encourage more participants in the workshops. Lauren Mattison, laurenm@umass.edu is the main contact businesses to access these programs.

Question: Are you working with craft breweries? Answer: They haven't been very receptive but efforts are continued to get them engaged, as well as distilleries such as Element in Millers Falls.

**Old Business:** White Paper Food Waste: DEP made some friendly suggestions that affect DPH's operation. DPH is taking them under review and will report back if they agree. A motion was made by Representative Kulik to accept the draft White Paper most recent draft, and allow Commissioner to coordinate with DPH and DEP with their relevant topics. The motion was seconded by John Lee and unanimously passed.

**New Business:** MA Food Collaborative Update, Winton Pitcoff, Executive Director. The first big project was tension around farming and local health regulations. A mediator was hired to work with this group and Farm Bureau, a multistep process on what can be a mutually agreeable way forward. The final report came out in January on the Collaborative website, including legislative recommendations that require local BOH's to presentative Kulik. Other recommendations include developing model regulations, and developing a resource pool for BOHs to deal with sticky issues, as well as a recommendation for a circuit rider, according to the MA Local Food Action Plan. There are about a dozen related bills which the Collaborative is analyzing, with hopes to pull together a group to pull out the best of all of them. Farm to School is a focus of the Collaborative with a focus on national legislation that might inform Massachusetts. It's not just about procurement, but also school gardens and curriculum (bring home economics back to the classroom). The Collaborative is also working on HIP with a budget amendment to help reach the match that's required from the state for the grant. A bill filed by Representative Mark that would set HIP in statute. This program should exist after the grant. There about 70 bills this session that is related to the Plan. The Collaborative is working to file testimony to understand how the legislation fits into the larger food context, from an educational perspective.

Operationally, the Collaborative is planning a Food System Summit, to review what's happened two years after the Plan. And to revive what came out of that - connecting policy and practice and the FPC. The Plan has a dispersed implementation. The \$1M Food Trust was a key recommendation of the Plan. Thanks to Commissioner Lebeaux, there will be a land commission to look at the land issues that came out of the Plan, especially those related to state owned land. Vivien Morris is on the steering committee, providing a good connection with the FPC to the Collaborative. And a new communications staff has been officially added.

Comment: The circuit rider position should provide technical assistance to both BOH and growers. The position could be located at an agency or UMASS.

### **Announcements**

Jack Wiggin, Director, Urban Harbors Institute, University of Massachusetts, Boston; The Seaport Economic Council grant granted an award to grow the local seafood economy and develop a conference. The goal is to bring the same type of thinking discussed today to the seafood community, profiling the entire value chain and identify institutional strategies and investments to grow those businesses and take advantage of the UMASS system to collaborate in business sustainability. There will be a conference in Gloucester in July. Legislation has been filed to add a seat for fisheries on the MA FPC and it's important to stay on top of that.

**Friday, July 21, 2017** 9:30 AM – 12:30 PM - Focus on MA Local Food Action Plan and public health issues, CMRPC's Worcester Union Train Station

**September, 15, 2017** 9:30 AM – 12:30 PM - Tower Hill Botanical Garden, Boylston

### **Public Comment**

Liz Wills-O'Gilvie, Chair, Steering Committee of the Springfield Food Policy Council and PVGrows and a Project Advisor for the Massachusetts Local Food Action Plan, asked that the MA Food Policy Council include equity in presentations and discussions moving forward.

John Waite made note of appreciation for the Food Ventures Program which is tied to the MA Local Food Action Plan and which has been critical for infrastructure development.

**Adjournment:** A motion to adjourn was made by John Waite, seconded by Vivien Morris and unanimously passed, at 12:30 PM.